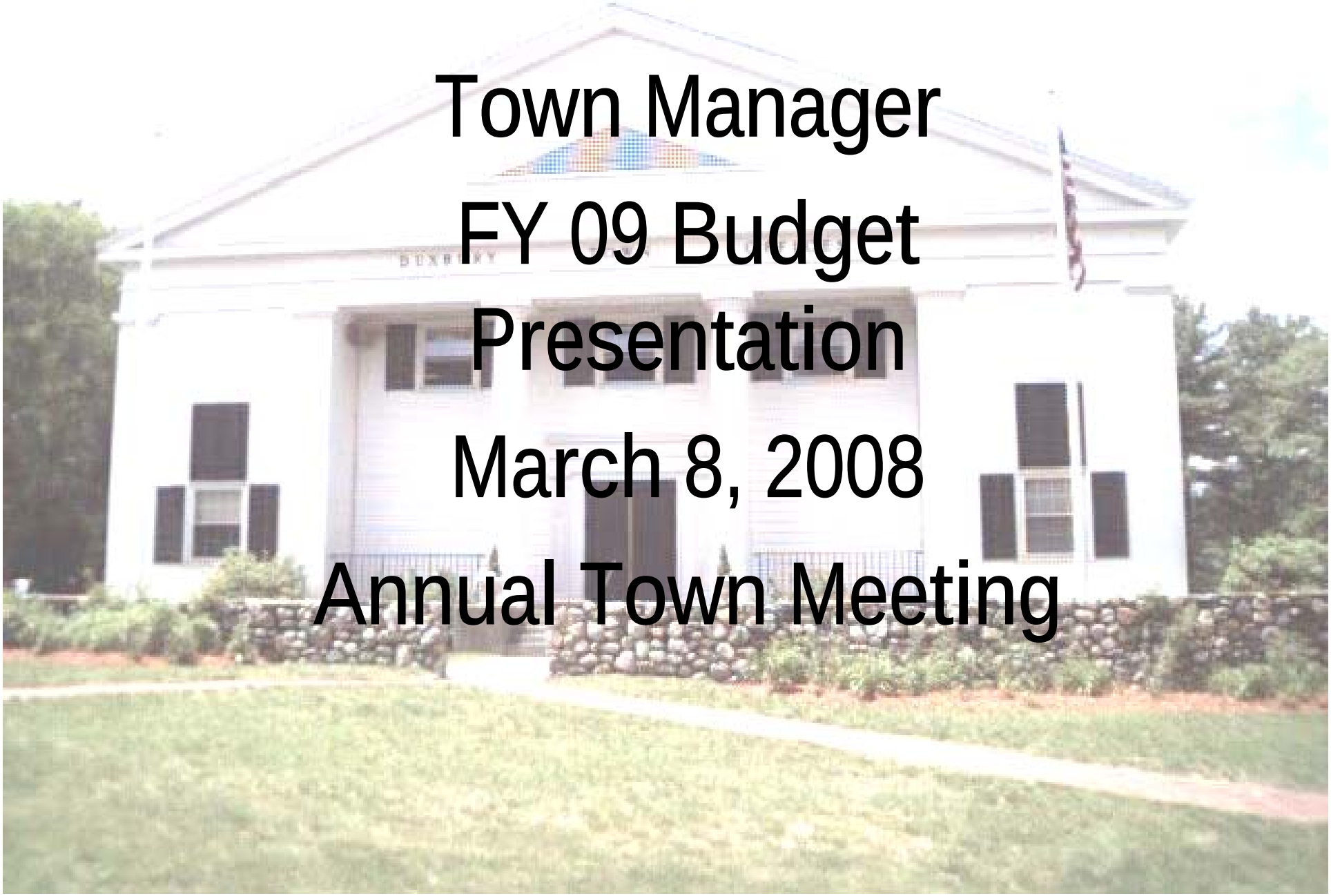
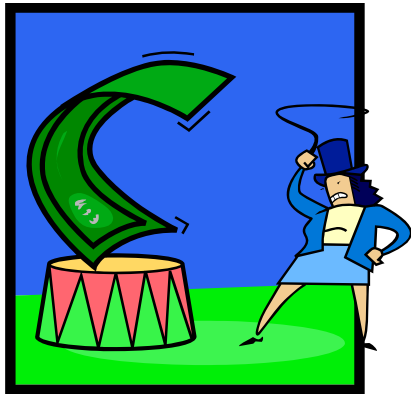


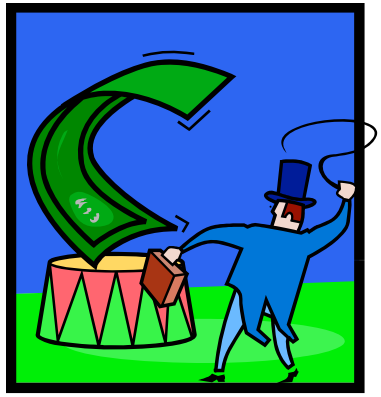
Town Manager
FY 09 Budget Presentation
March 8, 2008
Annual Town Meeting

Overview

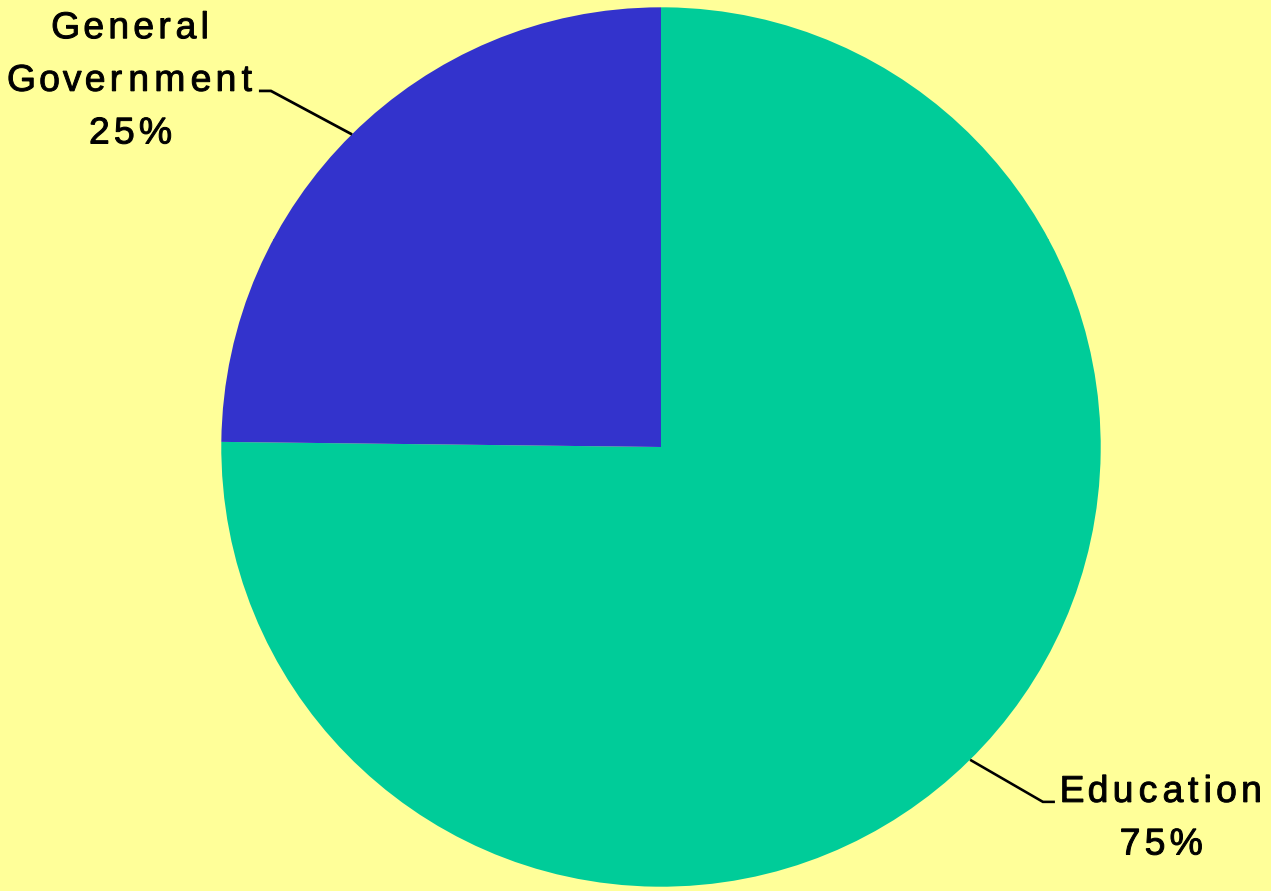
- **Fiscal 2009 Budget $56,900,443**
  - **3.78% Increase over FY 08**
- **Creation of Citizen's Working Group**
- **Exposure to Current Economic Factors**
  - **State Aid**
  - **Declining Property Values**
  - **Health Care, Energy, Special Education Costs**
- **Infrastructure Improvements**
- **Continuance of Community Services**
- **"Thinking Outside of the Box"**

FY09 Revenues

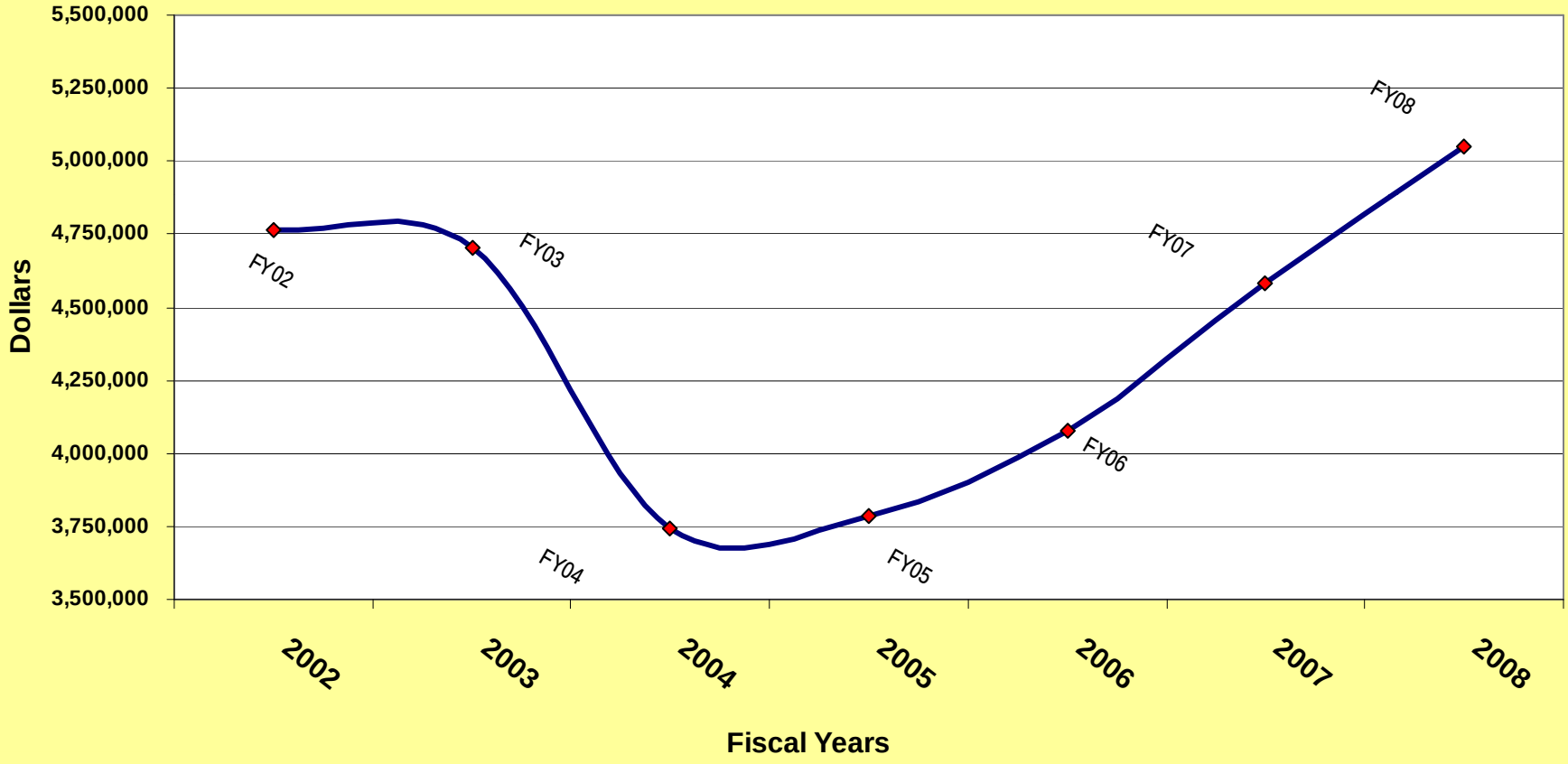




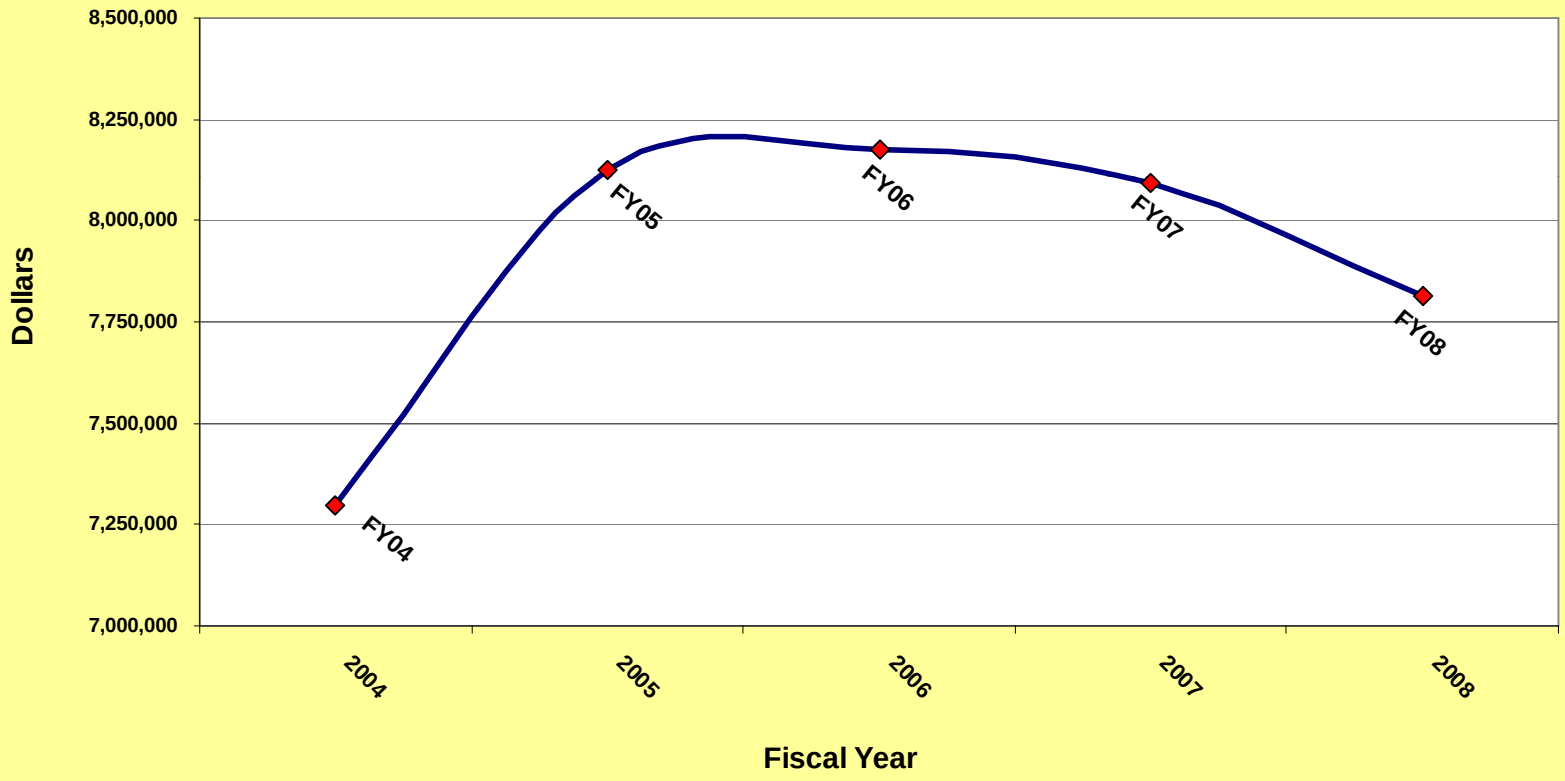
Town of Duxbury FY09 State Aid Cherry Sheet (Est.)



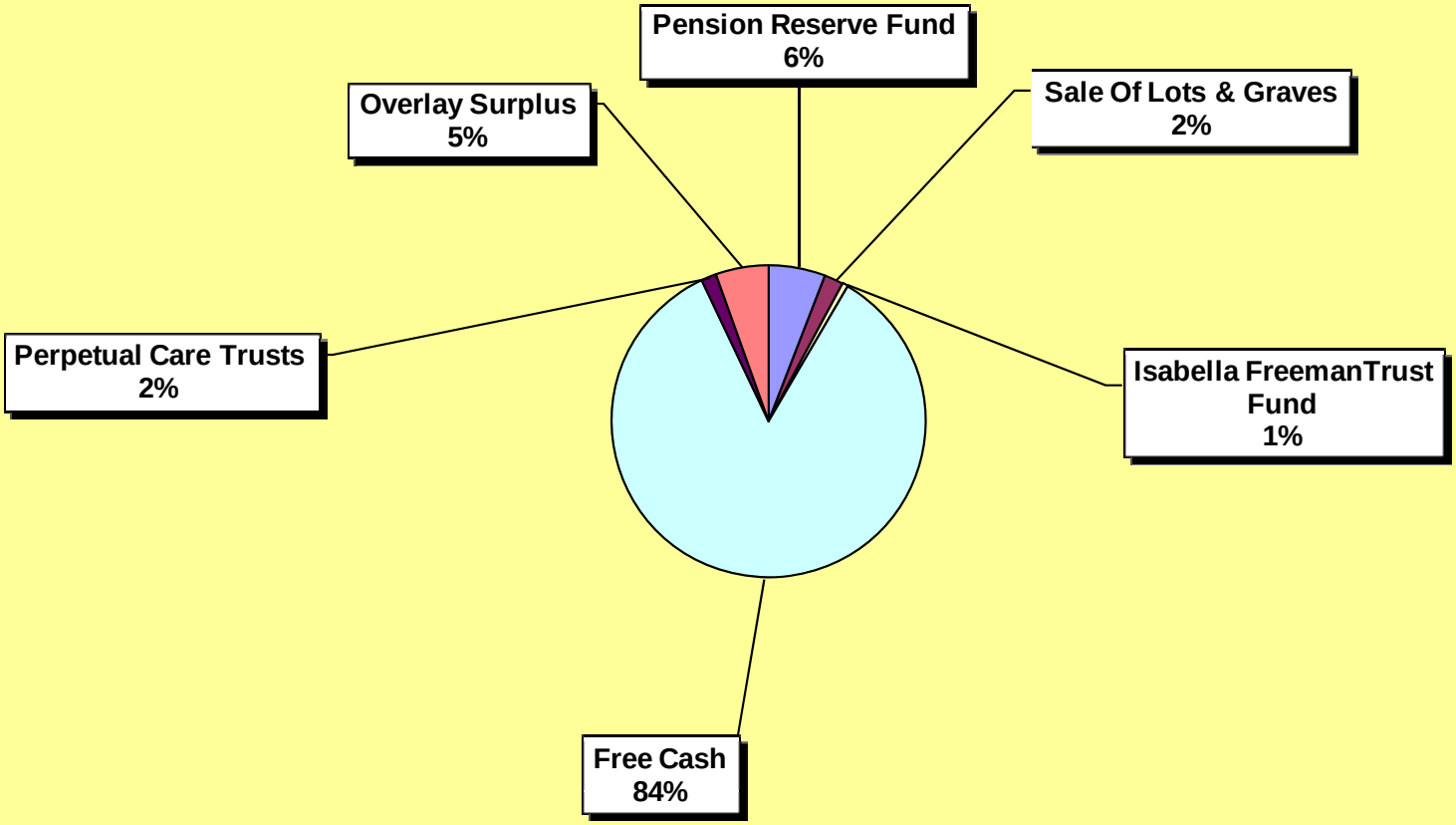
Town of Duxbury FY08
State Aid Revenue Fiscal 2002 Through Fiscal 2008



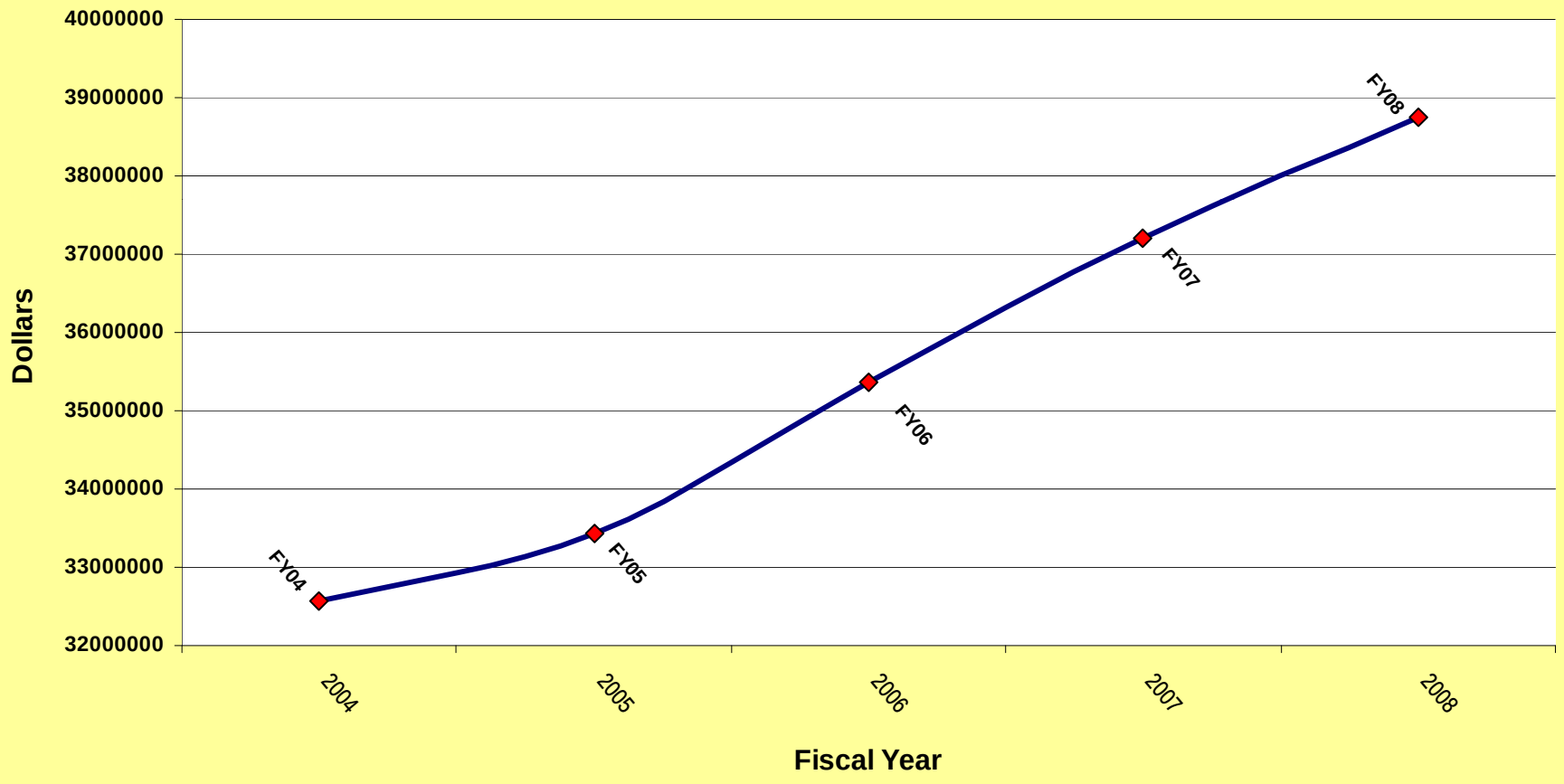
Town of Duxbury FY09
Local Receipts Fiscal 2004 Through Fiscal 2008



Town of Duxbury FY09
Available Funding Sources



Town of Duxbury FY09
Tax Levy Fiscal 2004 Through Fiscal 2008



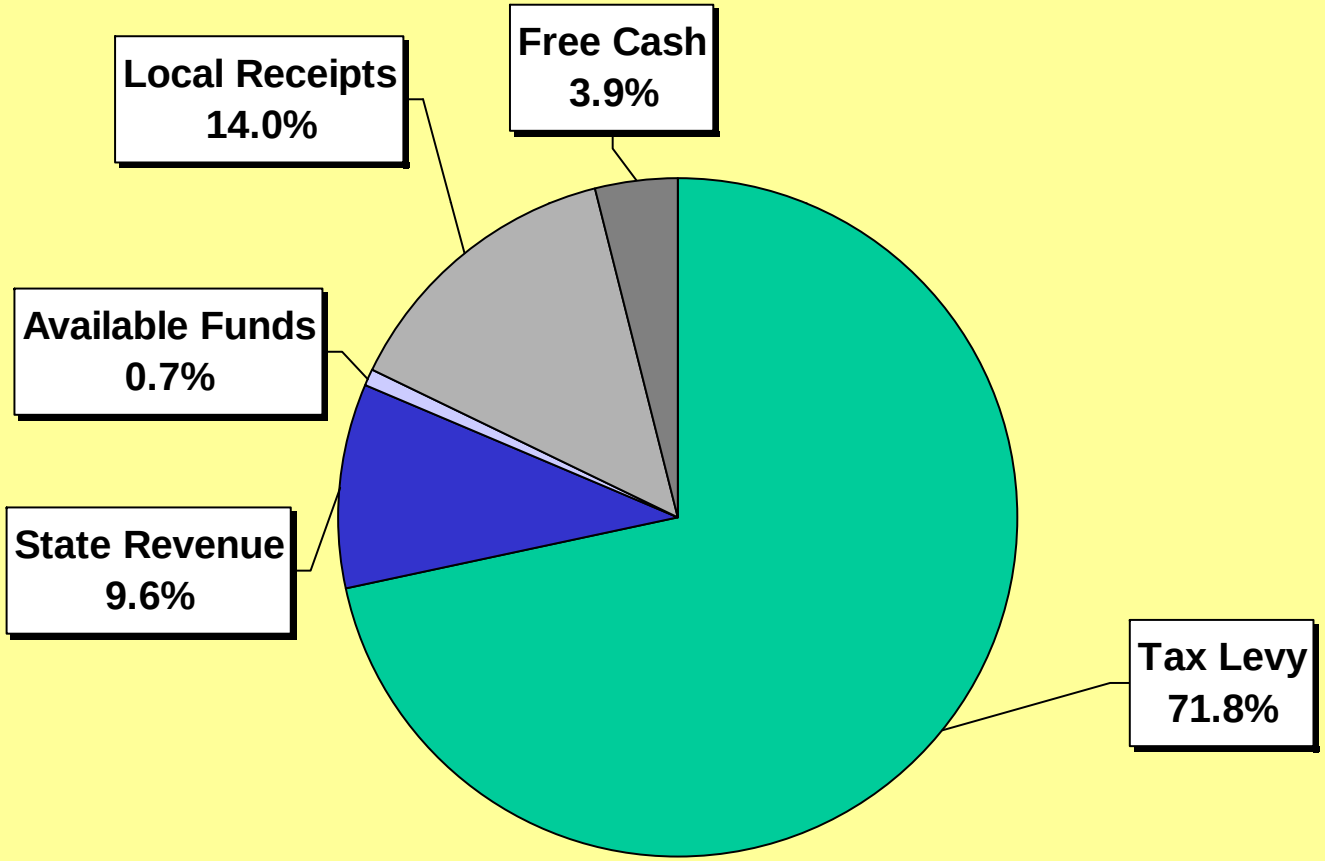
Town of Duxbury FY09
Tax Levy Revenue

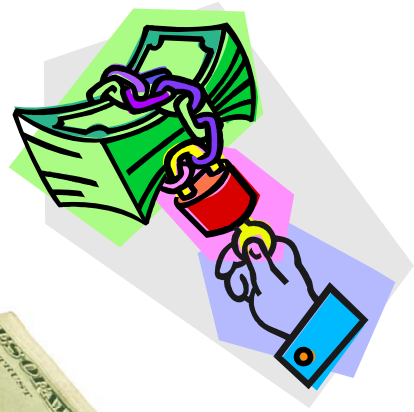
	FY 08 Budget	FY 09 T.Mgr.	%
Base	**35,730,084**	**37,212,673**	**4.15%**
2.5% Increase	**893,252**	**930,317**	**4.15%**
New Growth	**589,337**	**368,000**	**(37.56%)**
Exempt Debt	**1,561,310**	**1,521,620**	**(2.54%)**
Reserve for Unused Levy Capacity	**(31,766)**	**-**	**(100.00%)**
Sub-Total Tax Levy	**38,742,218**	**40,032,610**	**3.33%**

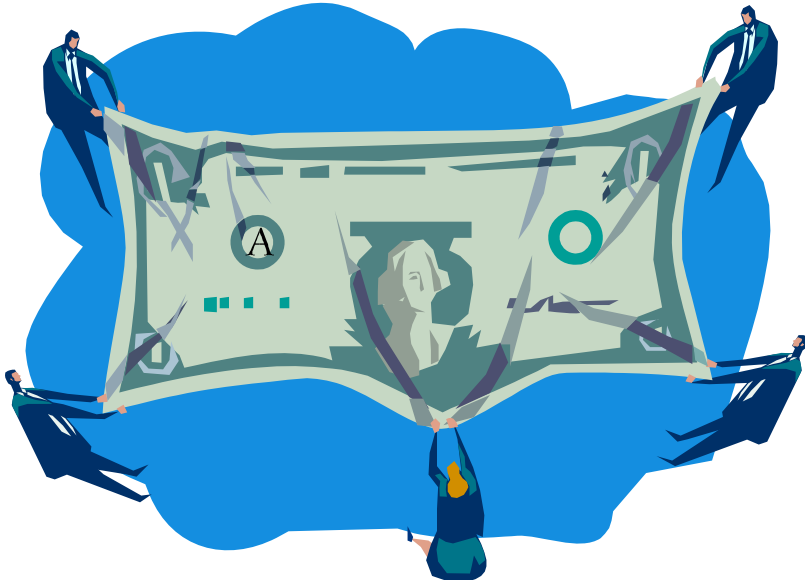
Town of Duxbury FY09 Revenue Summary

Revenue Sources	Fiscal Year 2008	Fiscal Year 2009	%
Tax Levy	**38,742,218**	**40,032,610**	**3.33%**
State Revenue	**5,020,598**	**5,378,820**	**7.14%**
Local Receipts	**7,851,486**	**7,814,256**	**(0.47%)**
Free Cash	**1,726,443**	**2,156,063**	**24.88%**
Available Cash	**228,767**	**395,000**	**13.09%**
Total	***53,569,512***	***55,776,749***	***3.95%***

Town of Duxbury FY09
Revenue Sources





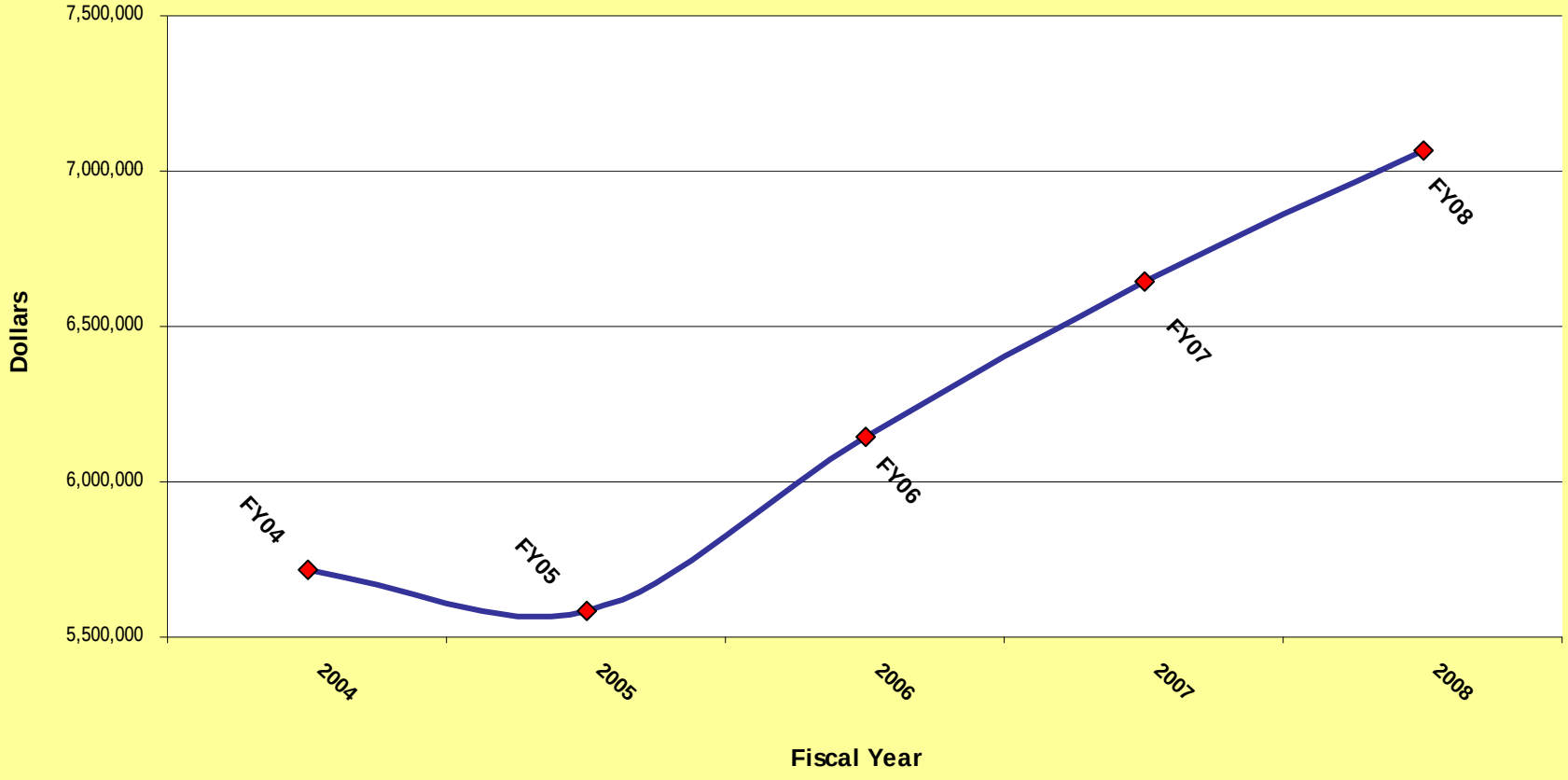


FY09 Expenses

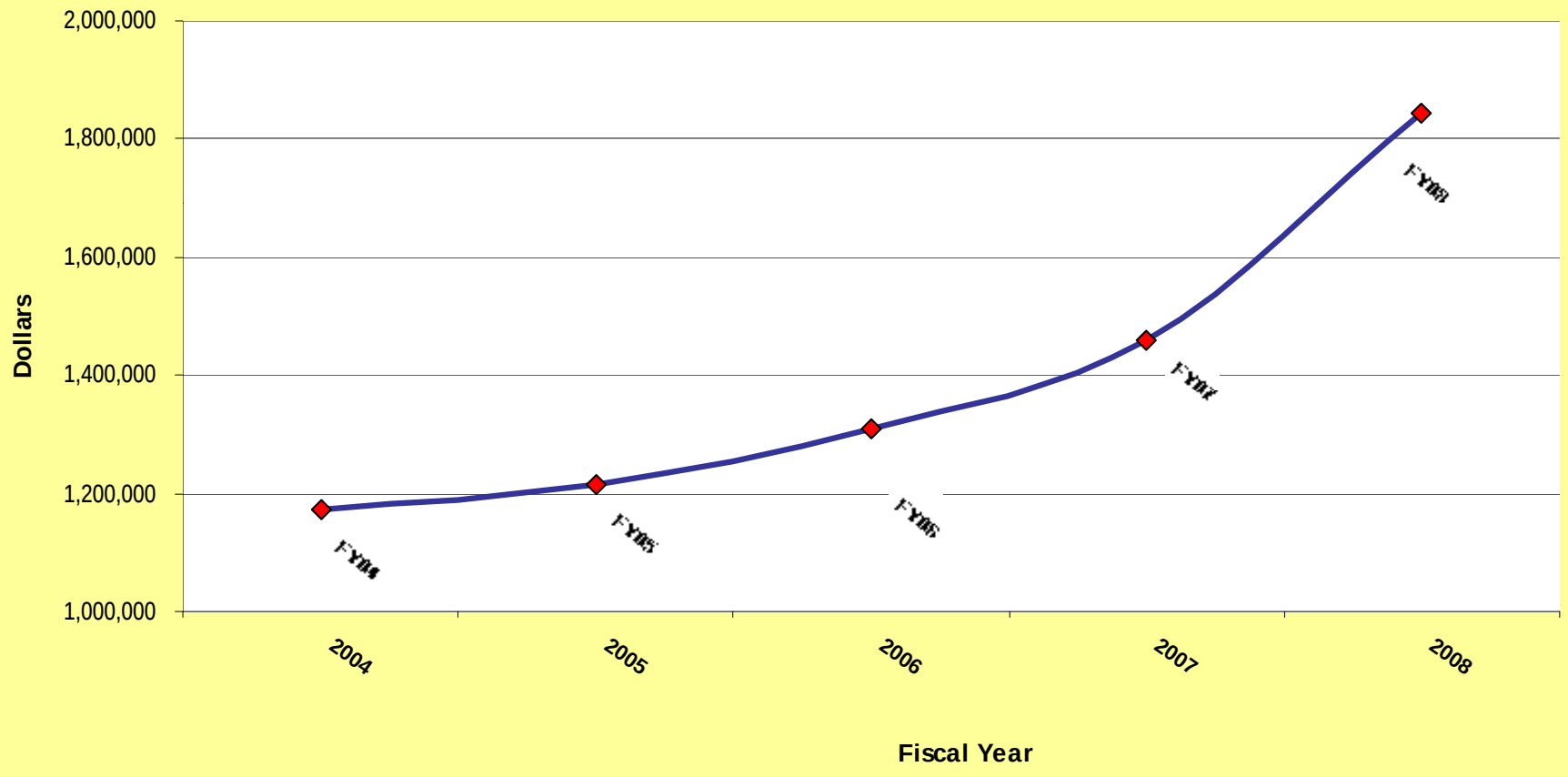
Budget Highlights

- The goal of providing level service budgets has been achieved.
- Hiring freeze and/or reduction through attrition
- Free Cash was used to balance the budget.
- Pension Reserve and Cemetery Perpetual Care Funds utilized to offset expenses.
- Budget reflects no override.

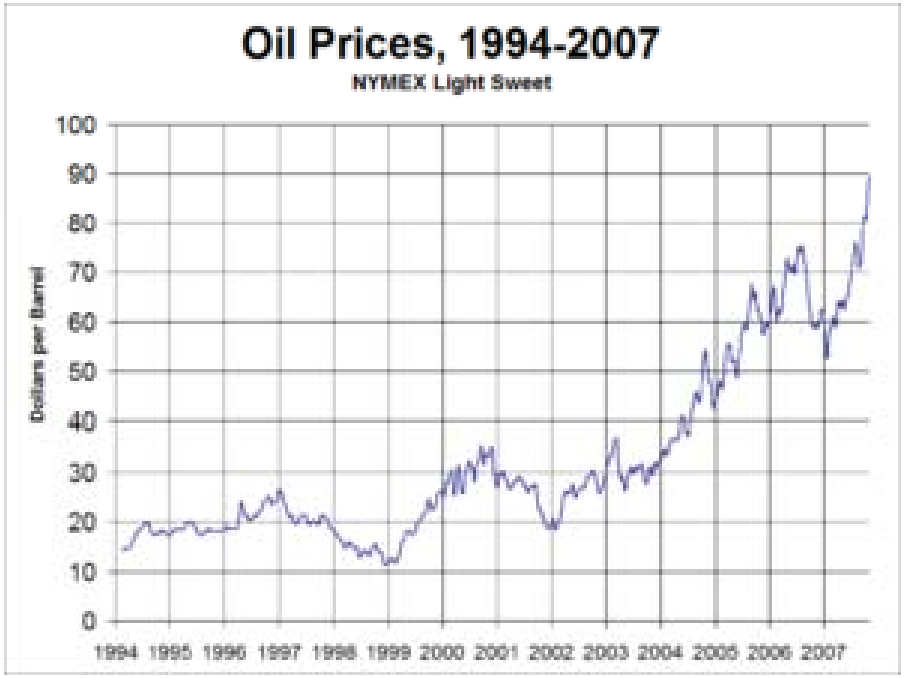
Town of Duxbury FY09
Health Insurance Expense Fiscal 2004 Through Fiscal 2008

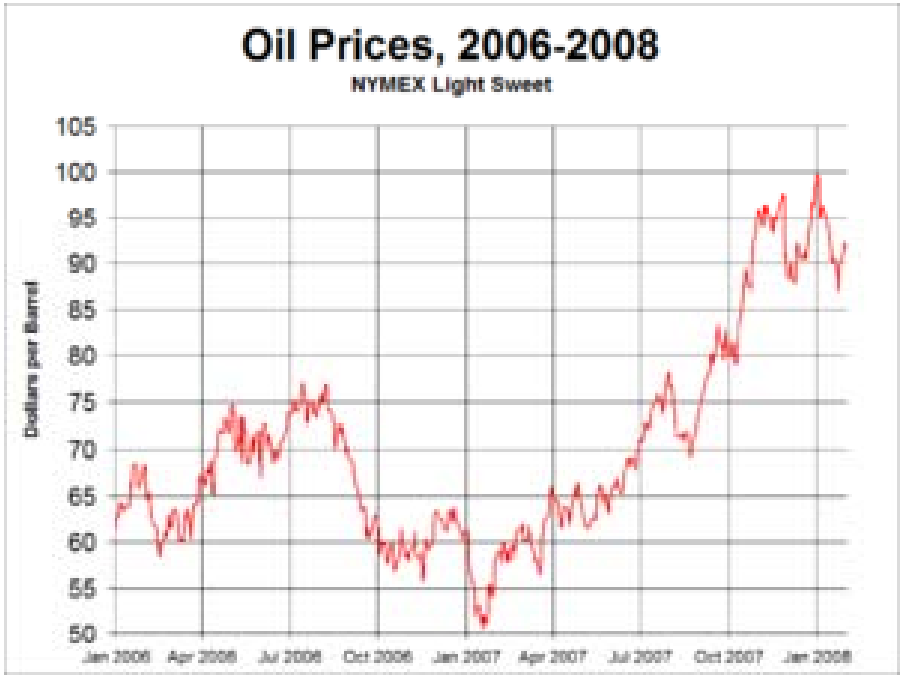


Town of Duxbury FY09
Pension Assessment Expense Fiscal 2004 Through Fiscal 2008



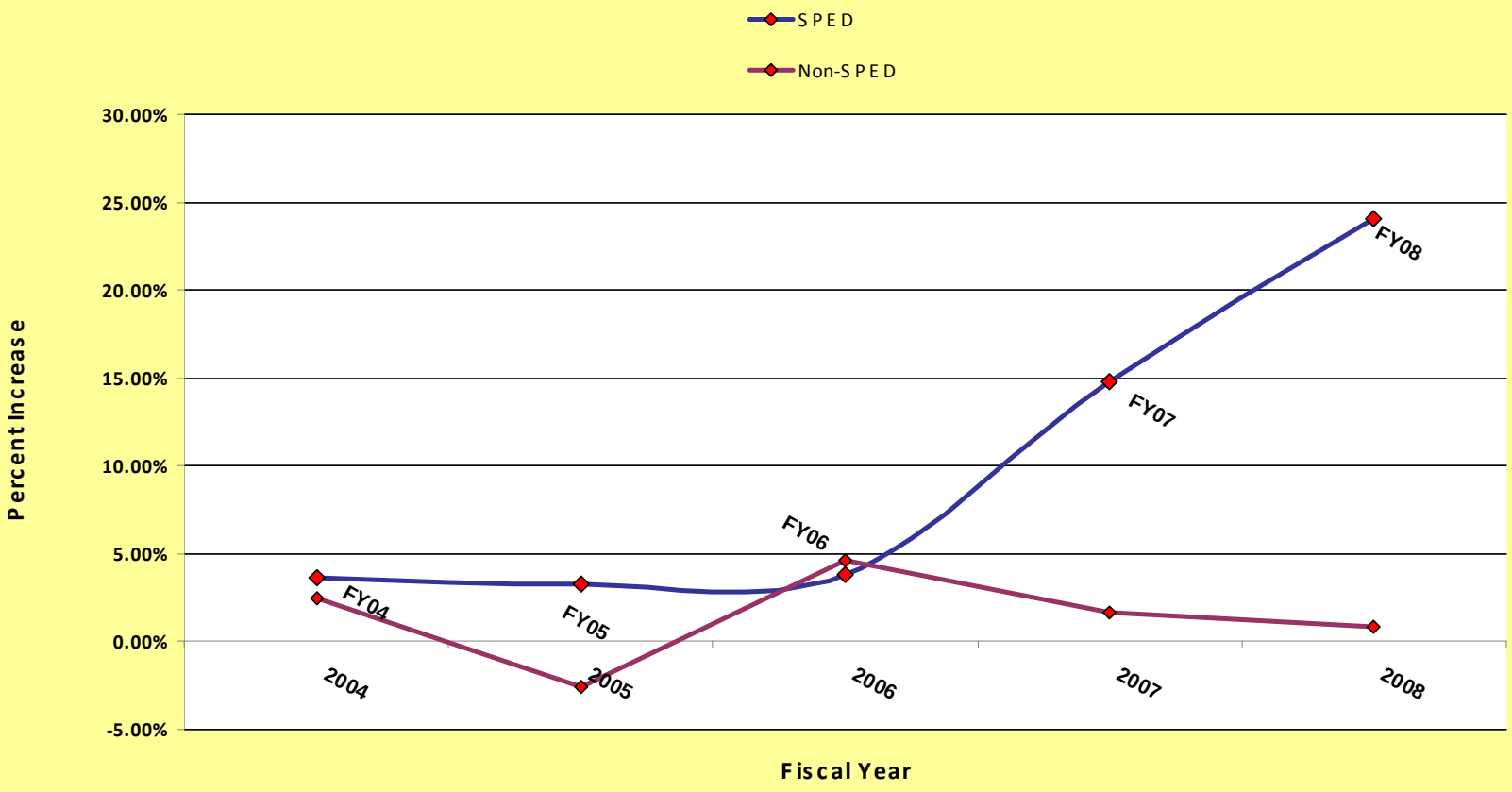
Analysis of Energy Prices



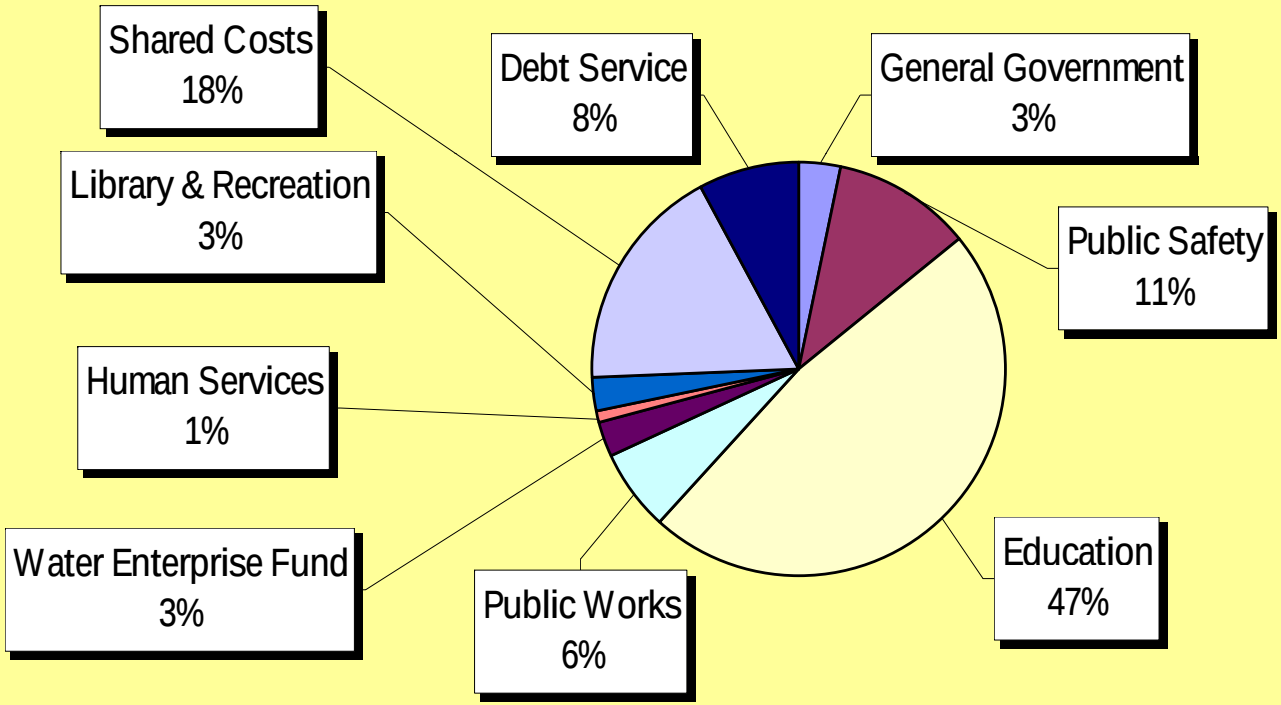


http://en.wikipedia.org/wiki/Oil_price_increases_of_2004_and_2005

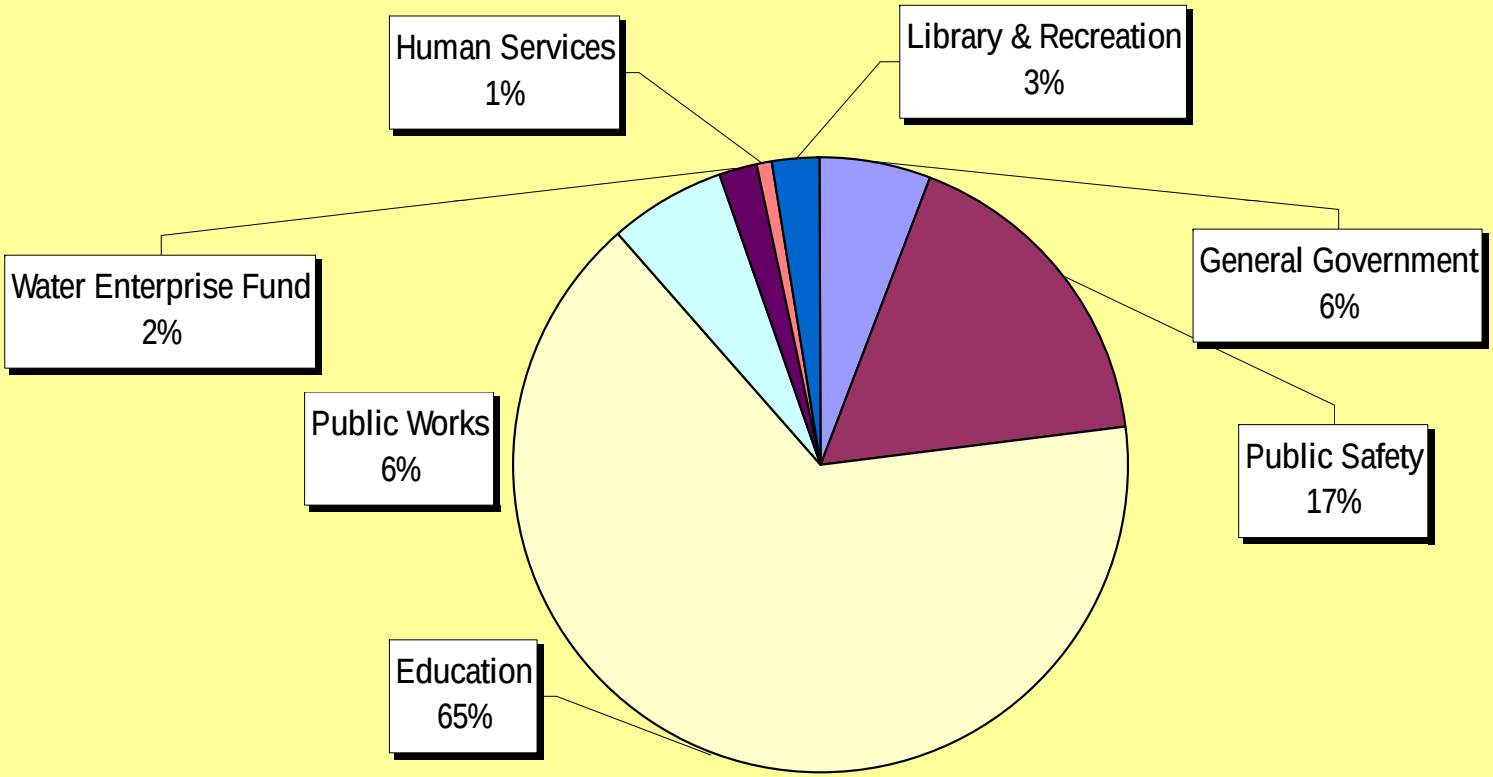
Town of Duxbury FY09
History of SPED/Non Sped Expense Increase
Fiscal 2004 Through Fiscal 2008



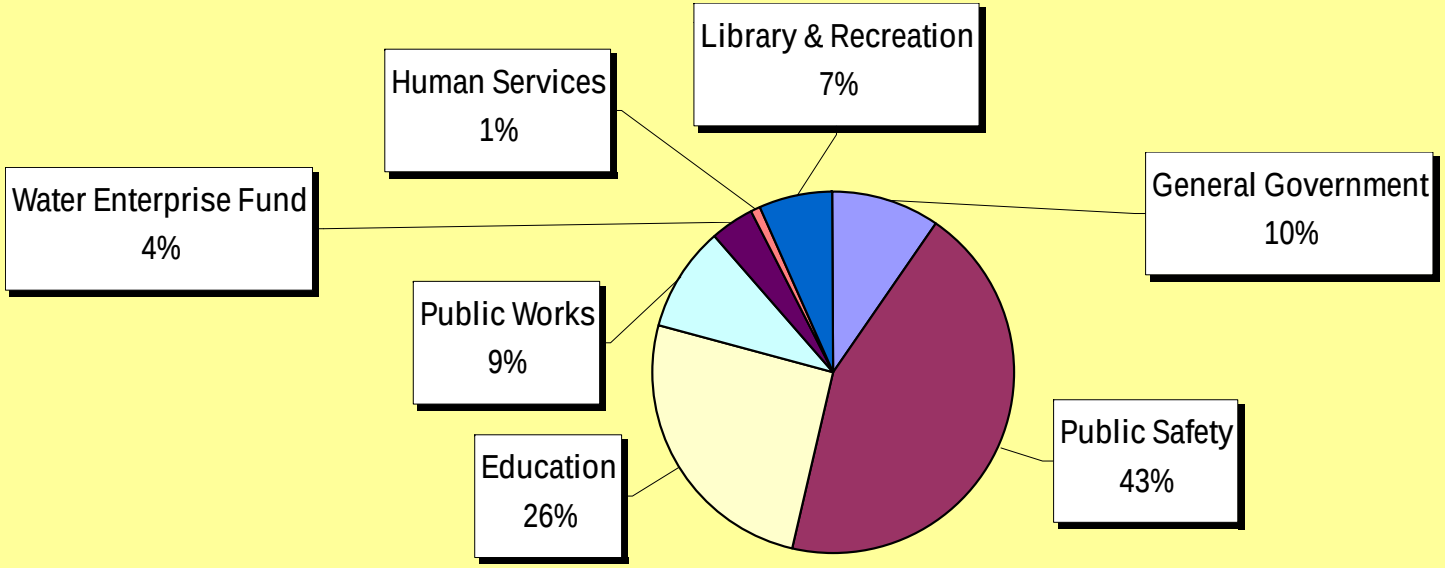
Town of Duxbury FY09
Direct Costs



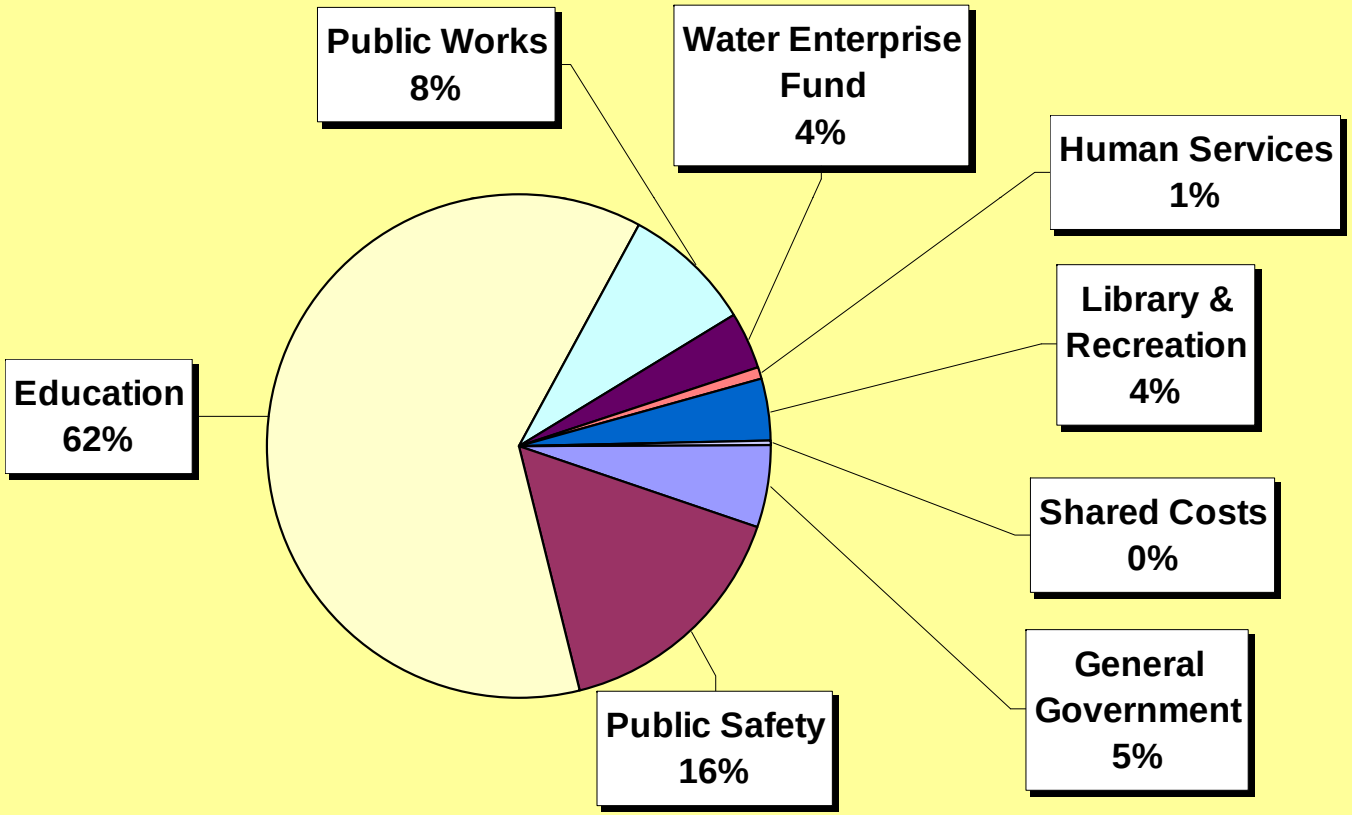
Town of Duxbury FY09
Health Insurance



Town of Duxbury FY08
Shared Pension Expense

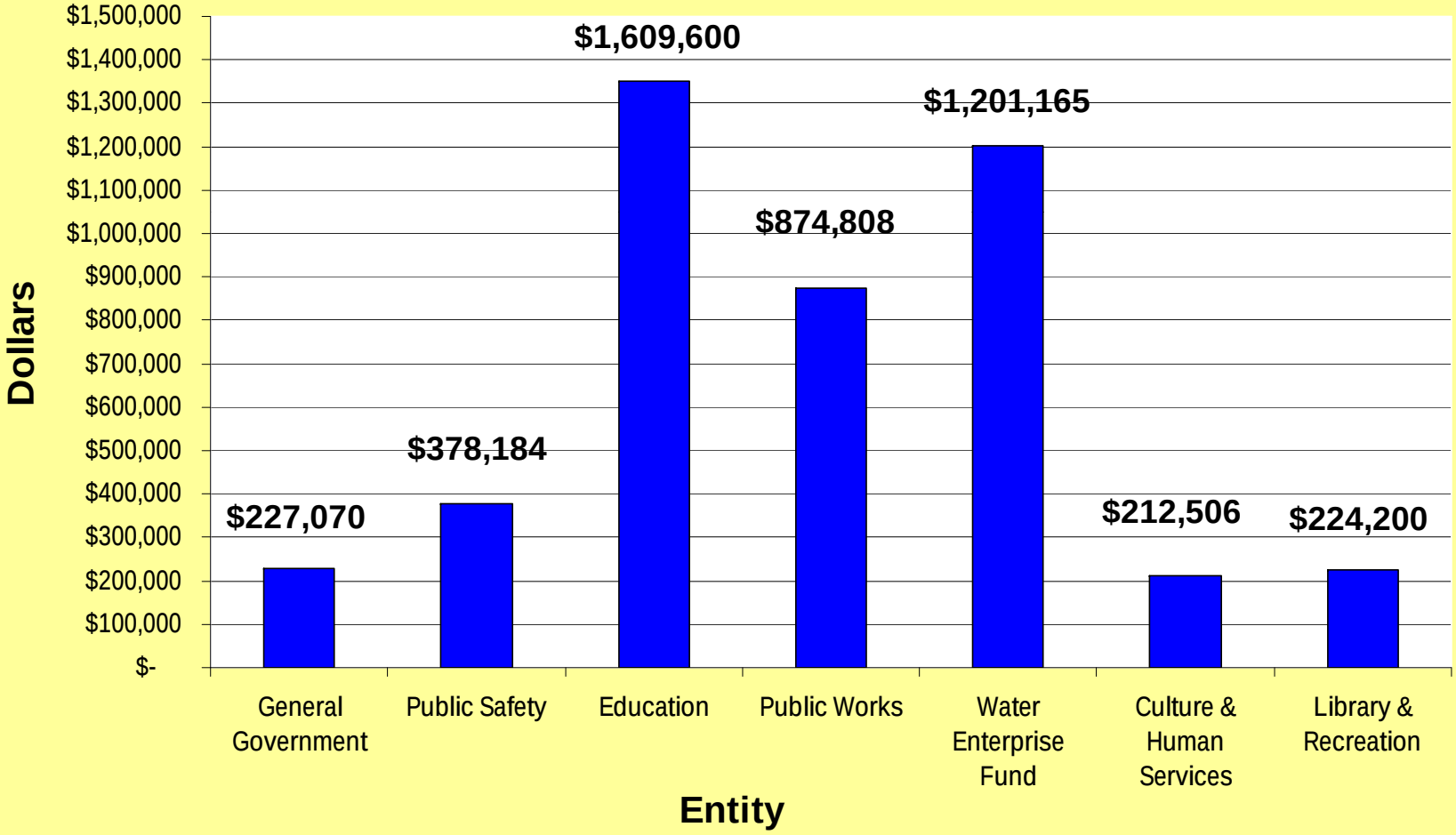


Town of Duxbury FY09
Direct and Shared Costs

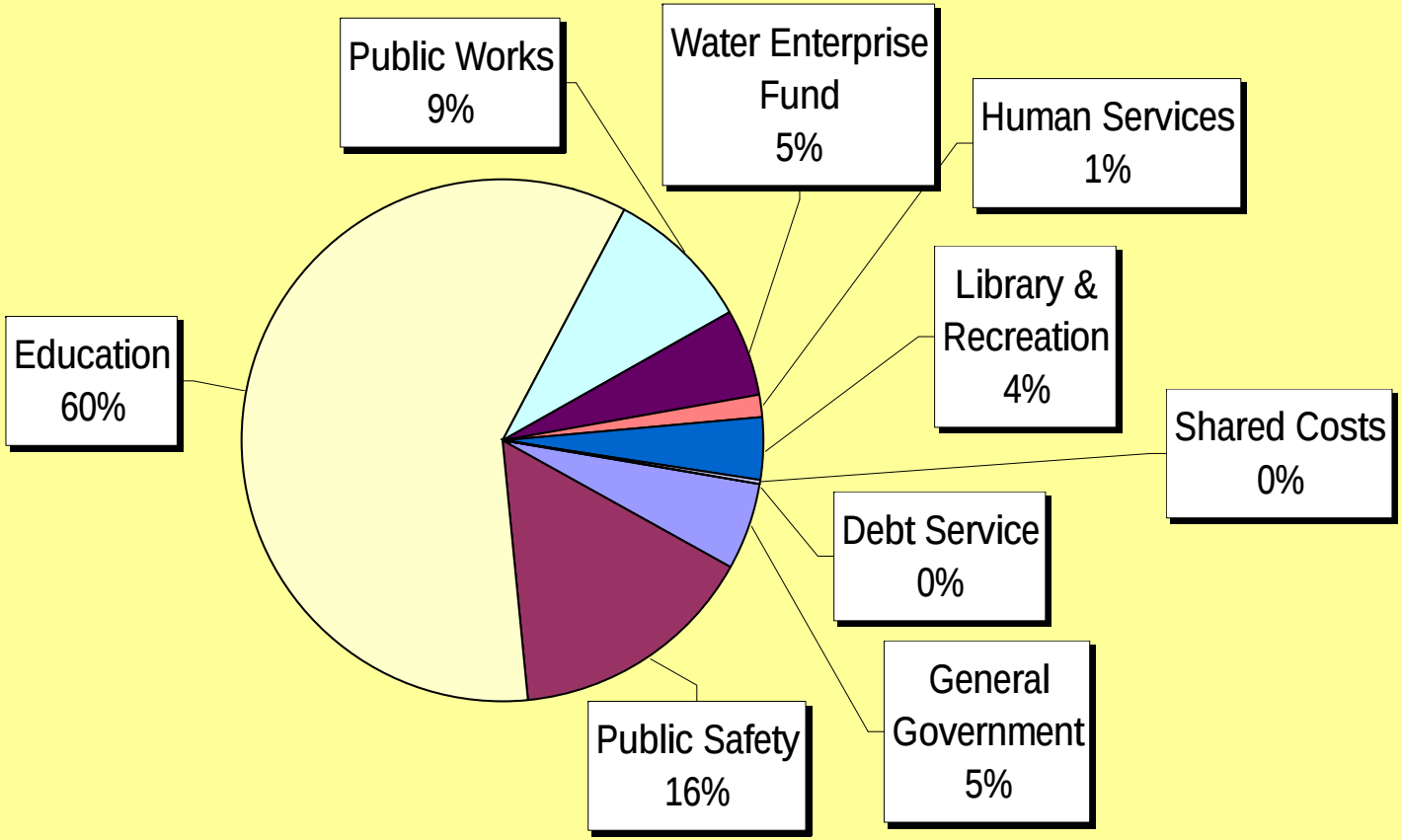


Town of Duxbury FY09

Debt Allocation by Entity



Town of Duxbury FY09
Direct and Shared Costs Including Debt Service



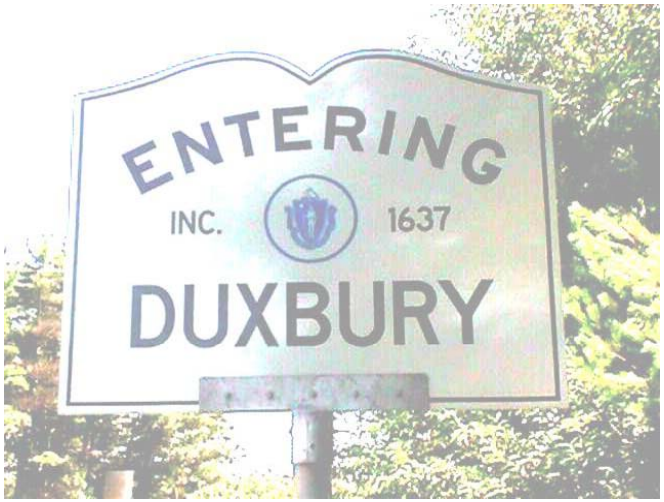
PLEASE REFER
TO
TOWN MEETING WARRANT FOR:

ARTICLE 5 - Operating Budget

ARTICLE 6 - Capital Budget

ARTICLE 7 - Capital Exclusion Budget

General Government



- **Salaries**

  3.6% increase over FY08

  $46,496 increase over FY08

- **Expenses**

  4.5% increase over FY08

  $24,386 increase over FY08

Public Safety

- **Salaries**

  6.4% increase over FY08

  $333,579 increase over FY08

- **Expenses**

  9.6% increase over FY08

  $48,591 increase over FY08

Public Works

- **Salaries**

  (without water)

  0.7% increase over FY08

  $12,090 increase over FY08

- **Expenses**

  (without water)

  (1.3%) decrease from FY08

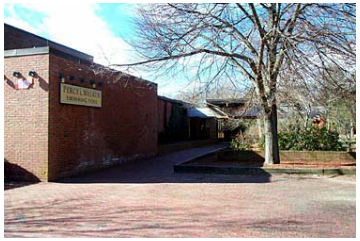
  ($26,428) decrease from FY08

Library & Recreation

- **Salaries**

  1.3% increase over FY08

  $15,425 increase over FY08



- **Expenses**

  7.8% increase over FY08

  $30,718 increase over FY08

Human Services

- **Salaries**

  0.5% increase over FY08

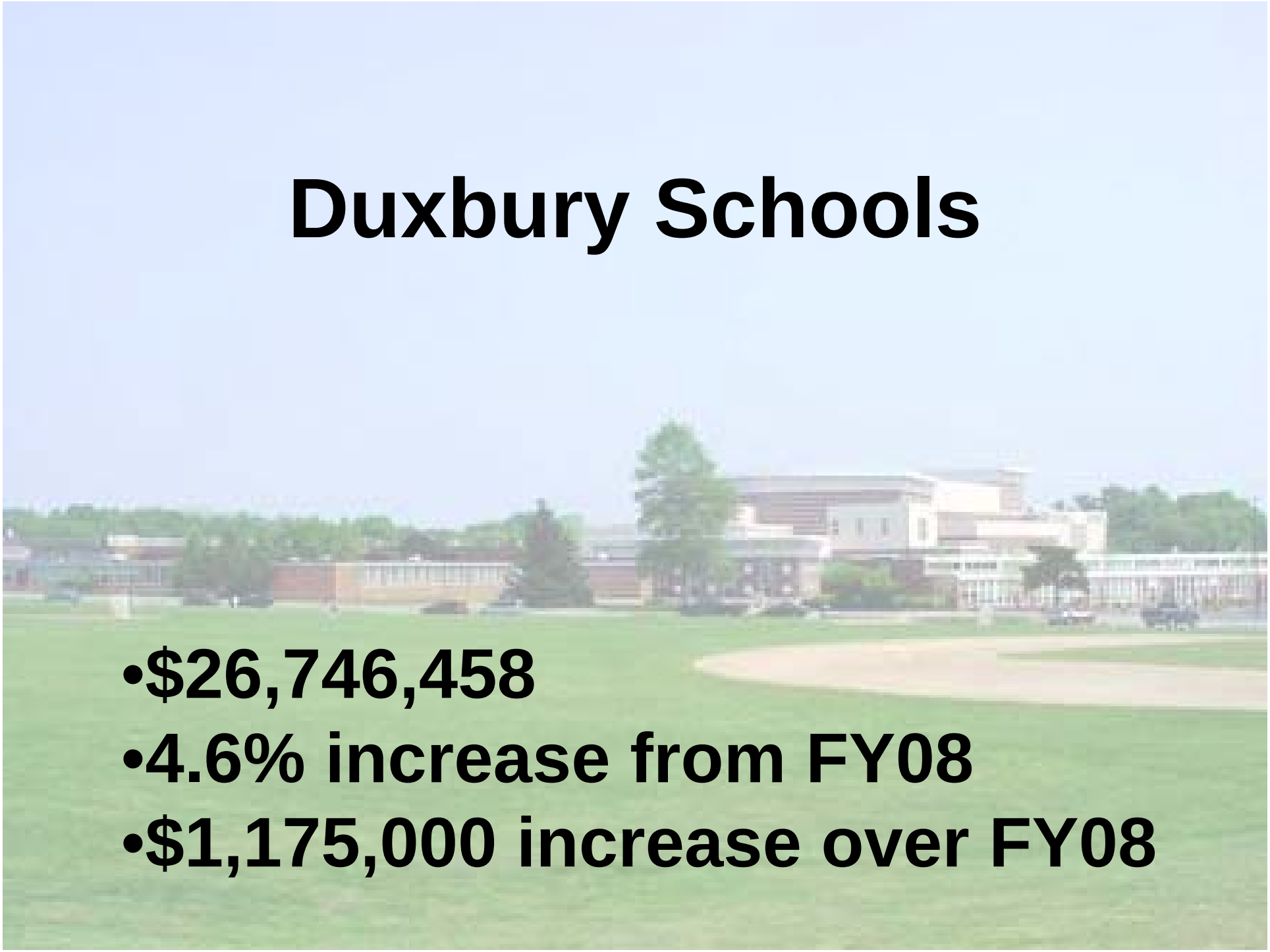
  $1,778 increase over FY08

- **Expenses**

  12.8% increase over FY08

  $16,875 increase over FY08

Duxbury Schools



- $26,746,458
- 4.6% increase from FY08
- $1,175,000 increase over FY08

Town and School Shared Costs/Employee Benefits

Health Insurance

- **Total increase is $225,000 (3.2%).**
- **Industry-wide estimates 10% - 12%.**
- **Increases mitigated through negotiation with Town's retirees and employee unions.**

Pension Plymouth County Retirement

- **Total increase is $82,397 (4.7% Increase)**
- **Utilized Pension Reserve Fund to offset cost.**
- **Payment in July to save interest cost.**

Debt Service

- **Currently $23.4 million outstanding**

  - **55% (12.8 M) exempt from prop. 2 ½**
    Manageable debt service
    6.5% general fund revenues

  - **Rapid repayment strategy**
    52% paid off in 5 years

Budget Comparison by Entity

Entity	FY 2008 BUDGET	FY 2009 MANAGER	Percentage Change	Dollar Change
General Government	1,829,842	1,900,724	3.9%	70,882
Public Safety	5,740,953	6,123,123	6.7%	382,170
Education	25,571,458	26,746,458	4.6%	1,175,000
Public Works	3,671,381	3,657,043	(0.4%)	(14,338)
Library & Recreation	1,554,833	1,600,976	3.0%	46,143
Human Services	458,270	476,923	4.1%	18,653
Shared Costs	9,925,525	10,313,623	3.9%	388,098
Debt Service	3,590,199	3,267,946	(9.0%)	(322,253)
SUB-TOTAL OPERATING	52,342,461	54,136,816	3.4%	1,794,355

Capital Budget

FY09 Capital Budget
General Fund

- **Departmental requests reduced from $2.35M to $1,011,723.**

- **Multiple funding vehicles will be used as funding for Capital Projects.**

  Funding Sources
  - » **Free Cash**
  - » **Overlay Surplus**
  - » **Sale of Lots and Graves**
  - » **Capital Exclusion**
  - » **Debt Exclusion**

FY09 Article 6
Capital - General Government

Capital Request	Department	Price
Document Management System	Information Technology	$30,000
Ambupro EMS Information Software	Information Technology	$41,879
TOTAL		$71,879

FY09 Article 6
Capital – Public Safety

Capital Request	Department	Price
Refurbish Brushbreaker	Fire	$96,000
Inflatable Boat & Motor	Fire	$10,000
Automatic External Defibrilators(5)	Fire	$10,000
Town Pier Mooring Gear	Harbormaster	$ 2, 000
Replace Motor Marine Unit#2	Harbormaster	$10,070
TOTAL		$128,070

FY09 Article 6
Capital - DPW

Capital Request	Department	Price
Install Town Hall Air Handler	Central Building	$40,000
Pave Shipyard Lane Parking Lot	Highway	$ 7,000
Replace ‘94 Stake Body Truck H-21	Lands & Natural Res	$60,000
Reline Crematory Retorts	Cemetery	$30,000
Replace ’94 1 Ton Dump Truck w/Plow	Cemetery	$50,000
TOTAL		$187,000

FY09 Article 6
Capital - Recreation

Capital Request	Department	Price
Install Irrigation Parts	North Hill GC	$8,000
TOTAL		$8,000

Explanation Capital Exclusion

- **Town Meeting votes by majority, to approve the expenditure at this March Annual Town Meeting contingent on voter approval,**
- **The Board of Selectmen vote, by majority, to approve a ballot question allowing registered voters to vote approval/disapproval of the expenditure,**
- **A ballot question is presented to voters requiring a majority for approval.**

Explanation Debt Exclusion

- **Town Meeting votes by a two-thirds majority, to approve the borrowing authority necessary to fund the projects at this March Annual Town Meeting contingent on voter approval,**
- **The Board of Selectmen vote, by majority, to approve a ballot question allowing registered voters to vote approval/disapproval of the expenditure,**
- **A ballot question is presented to voters requiring a majority for approval.**

FY09 Article 7
Capital Exclusion – Public Safety

Capital Request	Department	Price
Replace 1999 Chief's Vehicle	Fire	$36,000
TOTAL		$36,000

FY09 Article 7
Capital Exclusion - DPW

Capital Request	Department	Price
Replace Town Hall Roof	Central Building	$22,000
Old Town Hall Shingles/Trim	Central Building	$30,000
Hazardous Tree Removal	Lands & Natural Res	$40,000
TOTAL		$92,000

FY09 Article 7
Capital Exclusion - Recreation

Capital Request	Department	Price
Repair Alden Tennis Courts	Recreation	$22,000
TOTAL		**$22,000**

FY09 Article 7
Capital Exclusion - Schools

Capital Request	Price
Textbooks	$187,066
Information Technology	$155,880
Ventilation Installation	$ 15,000
Classroom Furniture	$ 14,428
Video Security System	$ 36,900
Tile Replacement	$ 37,500
Carpet Replacement	$ 20,000
TOTAL	$466,774

Water Enterprise Budget

Water Department

- **Salaries**

  4.2% increase over FY08

  $23,962 increase over FY08

- **Expenses**

  9.7% increase from FY08

  $90,804 increase from FY08

Debt Service – Water Enterprise

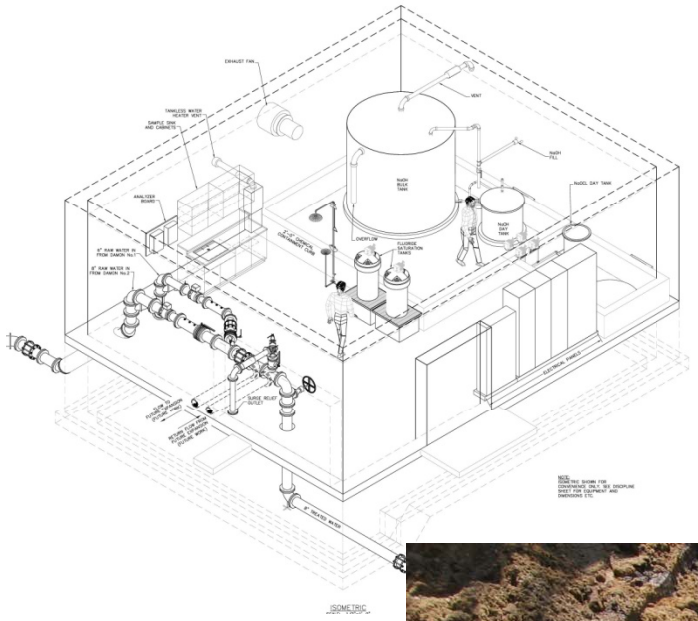
Currently $4,309,000 authorized and unissued

- **MWPAT funding approved for Birch Tank (3.15 M)**
  2% interest (savings of ~$745,000)
  Damon and Temple projects to be bonded in May

- **Rapid repayment**
  70% paid off in 5 years

Water Enterprise
Budget Comparison

ENTITY	FY 2008 BUDGET	FY 2009 MANAGER	Percentage Change	Dollar Change
Operating	1,497,696	1,612,462	7.7%	114,766
Debt Service	987,000	1,201,165	21.7%	214,165
TOTAL	2,484,696	2,813,627	13.2%	328,931



Water Enterprise Capital Budget

FY09 Capital Budget
Water Enterprise Fund

Water Enterprise Request	Price
PCE Main Pipe Replacement	$100,000
Damon Well Construction	$620,000
Total Request	$720,000

Summary

- **Balanced FY 09 Budget**
  - **The FY09 budget is in balance as presented.**
  - **The goal of providing level service budgets has been achieved.**
  - **Consideration given to capital and debt exclusions.**
  - **All of free cash is utilized.**
  - **Pension reserves and Cemetery Perpetual Funds were utilized to balance the budget.**

- **Duxbury is not immune to same economic factors affecting the Commonwealth.**
  - **Downward Trend in Property Values**
  - **Rising Costs of Health Care, Special Education,**
  - **and Energy**
  - **State Aid Comprises a Smaller Portion of the Budget than in FY08**
  - **Tax Revenue Limited by Prop 2 ½**
  - **Free Cash, Pension Reserves, Cemetery Perpetual Care Funds Used to Balance the Budget**
  - **Infrastructure Improvements Necessary**

DUXBURY MASSACHUSETTS
INCORPORATED JUNE 17 1637
DUXBURY LIGHT
GURNET LIGHT
MYLES STANDISH

Thank You!